

111TH CONGRESS  
1ST SESSION

# H. R. 1857

To amend the Internal Revenue Code of 1986 to increase the limitation on the allowance of capital losses of taxpayers other than corporations.

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IN THE HOUSE OF REPRESENTATIVES

APRIL 1, 2009

Mr. MARCHANT introduced the following bill; which was referred to the Committee on Ways and Means

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## A BILL

To amend the Internal Revenue Code of 1986 to increase the limitation on the allowance of capital losses of taxpayers other than corporations.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*

3       **SECTION 1. LIMITATION ON CAPITAL LOSSES OF TAX-**  
4       **PAYERS OTHER THAN CORPORATIONS.**

5       (a) IN GENERAL.—Paragraph (1) of section 1211(b)  
6       of the Internal Revenue Code of 1986 (relating to limita-  
7       tion on capital losses) is amended to read as follows:

8               “(1) \$10,000 (\$5,000 in the case of a married  
9       individual filing a separate return), or”.

1 (b) ADJUSTMENT FOR INFLATION.—Section 1211 of  
2 such Code is amended by adding at the end the following:

3 “(c) INFLATION ADJUSTMENT.—In the case of any  
4 taxable year beginning after 2009, each dollar amount  
5 contained in subsection (b)(1) shall be increased by an  
6 amount equal to—

7 “(1) such dollar amount, multiplied by

8 “(2) the cost-of-living adjustment determined  
9 under section 1(f)(3) for the calendar year in which  
10 the taxable year begins, determined by substituting  
11 ‘calendar year 2008’ for ‘calendar year 1992’ in sub-  
12 paragraph (B) thereof.

13 Any increase determined under the preceding sentence  
14 shall be rounded to the nearest multiple of \$50.”.

15 (c) EFFECTIVE DATE.—The amendment made by  
16 subsection (a) shall apply to capital losses arising in tax-  
17 able years beginning after December 31, 2008.

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